

The rise of the "Covid-preneur"

The Covid-19 Pandemic has evidently had an impact on the worldwide economy and has certainly contributed to South Africa's economic downturn. Job security and income stability have become the talk of the town, and has resulted in gutsy entrepreneurs taking risks to thrive during this period of Covid-19, leading them to become what you could call 'Covid-preneurs'.



Lester Philander

Starting a business during a recession, let alone a global pandemic may not seem like a great idea, however, it's actually completely the opposite. There are ways to adapt to this 'new normal'.

Lester Philander, business coach, serial entrepreneur and radio host of the Business Show on CCFM, established Empire 629, a sister company of PHL International Consulting. The purpose of the company is to help everyday employees start their own business without the risk of them leaving their jobs. To date, PHL Consulting has created just over 2000 jobs in the Western Cape over the past three years.

Create opportunities

"Employees may often feel undervalued and underutilised within their job function. They might have exceptional business ideas and potential but cannot risk giving up their stable income," says Philander.

Empire 629 was established to address factors such as these. They also have a program called Ingalozi Mali (Angel Money). Here employees can buy shares into small businesses for a stake in the company. This might suit employees that has the money but no desire to start a new business. The pandemic has led to a rapid increase in the unemployment rate,

with skilled workers now willing to settle for less than what they usually would. By starting a business not only are you creating an income for yourself, but you are also contributing to job creation in the economy.

Find your gap

Ask yourself if you are serious about starting or growing this business or if it is simply a dream. Once you have a great idea, know how you can make it work and know what your strengths are. Talk to a business coach to help you identify these strengths, and also assist you in identifying opportunities in the market. Philander explains that it is important to know what your goals are, and set your objectives to achieve them from the get-go.

Take advantage of the weak economy

“The status of the economy will naturally affect the costs of goods and services. Take advantage of discounted services during this time. If you are needing to invest in some office furniture to start up with, now would be the best time to shop around and try to negotiate good deals,” says Melvina Phillips, student development facilitator at the Raymond Ackerman Academy of Entrepreneurial Development. A weakened economy may also lead to fewer risk takers, resulting in less competition in the start-up industry.

Re-evaluate your business model

The Covid-19 Pandemic has brought about an excessive amount of challenges, some of which no one could have prepared for.

“Businesses and individuals are seeking solutions to problems brought about by the economic downturn. Relook at your business model and figure out a way to adapt it to suit the current demand,” says Philander. For example, can your business be altered to target an online audience? More people are working from home and spending more time online.

Establish a healthy routine

Starting a business during tough times and following through with the necessary perseverance can only make you stronger in the long run. Build a good consumer base now to reap the rewards later.

Seize opportunities and take advantage of our current ‘new normal’. It may not make it any easier, but there really is no time like the present.

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